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Before a hearing conducted by the
SUBCOMMITTEE ON CIVIL SERVICE AND AGENCY
ORGANIZATION
COMMITTEE ON GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES
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Good morning Chairwoman Davis and distinguished members of the Subcommittee. I am Ron James, Chief Human Capital Officer for DHS. Thank you for the opportunity to appear before you today.

The Department of Homeland Security was created with the overriding mission of protecting the nation against further terrorist attacks. Component agencies analyze threats and intelligence, guard our borders and airports, protect our critical infrastructure, and coordinate the response of our nation for future emergencies. DHS is also committed to protecting the rights of American citizens and enhancing public services such as natural disaster assistance by dedicating offices to these important missions.

In creating the Department, the Congress provided an historic opportunity to design a 21st century human resource management system that is fair, effective, and flexible. We have a responsibility to create an innovative system, while at the same time, preserving basic civil service principles for the employees of the Department.

Our Department has an incredibly important mission. Whatever system we develop must be mission-centered first and foremost. Day-in and day-out, our mission is preventing terrorist attacks within the United States, reducing the vulnerability of the United States to terrorism, and minimizing the damage and assisting in the recovery from terrorist attacks that do occur within the United States. The design must facilitate our ability to perform this mission. In order for us to achieve this mission the system created must be performance-focused, contemporary and excellent. The system must generate respect and trust and be based on merit principles and fairness.

We have a responsibility to put in place a human resources management system that meets employee needs while at the same time creates a high performing organization—one which will

effectively help us fight the war on terrorism. The American public is depending on us to create such a system.

Bottom line---The world has changed, jobs have changed, missions have changed...and our human resource system needs to change as well to support this environment. The current system, while it has many positive features, is insufficient to meet our needs and the different circumstances that we face since September 11th.

In order to successfully lead implementation of the national strategy for Homeland Security, the Department must excel at the management of its most precious resource—its people.

We are following a process that ensures maximum collaboration with our employees and their representatives, stakeholders, and subject matter experts. We created a Design Team of DHS front line employees and managers, union representatives, and HR professionals from OPM and DHS. This team began its research and design work in early April and presented to the Senior Review Committee a wide range of options for pay, performance

management, classification, labor relations, adverse actions and appeals at the end of September. Their commitment and hard work have been exceptional. We all owe them a thank you.

The Senior Review Committee (SRC) met last week for three days to deliberate the options developed by the HR Design Team. The Committee is composed of DHS and OPM senior officials, union presidents, and a group of distinguished technical advisors—all of whom were carefully selected for their knowledge and experience in leading people. The Committee had very candid and thoughtful discussions about the options and key issues related to them. Committee members openly shared their individual perspectives and although there was disagreement at times, the dialogue created new possibilities for a fair, credible HR system through listening and mutual understanding.

One thing was clear: each and every SRC member agreed upon the need for the HR system to support the vital mission of the Department of Homeland Security and its employees. All SRC members agreed they want to develop a system that is fair, credible,

and transparent, and one that creates an environment for openness, inclusiveness, and accountability.

Based on the discussions from the meeting, the SRC will produce a summary report over the next two weeks. This report will be available to the members of this Committee as well as the general public. This report will be forwarded to Secretary Ridge and OPM Director James. The Secretary and Director will issue proposed new personnel rules for the Department early next year. The proposed regulations will be available for public comment for a 30-day period. The issuance of the proposed regulations will also trigger the congressionally mandated collaboration period with our employee representatives which includes notice of the proposals, followed by Congressional notification, consultation and mediation.

We know change is difficult – but change is inherent in the creation of the Department of Homeland Security. It is incumbent on us to realize that the changes which may result from this process will need time to design in detail. We will need to train our employees and managers. And, we will need to assess the effectiveness of these

changes and continue to make improvements. We think we are up to the challenge.

Thank you and I welcome any questions you may have.
